

MONTANA LEGISLATIVE HISTORY

Chapter 17 19 71

Bill H _____ S 44 Original bill & history C

H. Committee on Business and Industry

Hearing Date(s) Feb 01 ☒ C

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Date Out Feb 01 ☒ C

S. Committee on Banking and Insurance

Hearing Date(s) Jan 13 ☒ C

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_____ ☐ C

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Jan 13 ☒ C

Did this bill originate in an interim committee? ☐ Yes ☐ No

Committee _____

Report _____

January 13, 1971

The Committee on Banking and Insurance met on recess at room 404 January 13, 1971. Roll call was taken and all members were present except Senator Groff who was excused from this meeting in order that he might attend another committee meeting.

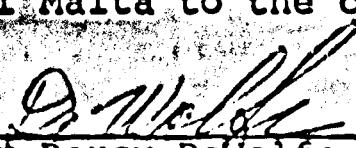
Senate Bill 44 was placed before the committee for their consideration. The sponsor of the bill, Senator Thiessen-D-Lambert, explained it. He stated that the bill would authorize the board of trustees of a co-operative, without authorization by the members thereof, the power to authorize the sale, lease or other disposition of a substantial portion of its property to another co-operative or foreign corporation and that the board of trustees would have authority to execute mortgages or deeds of trust to secure any indebtedness of the co-operative to the United States or any agency thereof or to a national financing institution for the purpose of financing its members' programs, projects and undertakings.

Representative Bill Mather-R-Billings, proposed an amendment to this bill wherein a co-operative may sell, mortgage, lease or dispose or encumber all or a portion of its property if it is authorized by the vote of two-thirds of its vote present or represented by proxy. He also proposed that the bill be provided with an effective date. He felt it was almost impossible to secure authority for such a mortgage if a two-third affirmative vote of the members of the cooperative was required as the members are difficult to get together.

Proponents, Riley Childers and Rod Hansen, were introduced to the committee members. Mr. Childers said this bill would enable coops to speed up the operation. The members of the committee questioned the proponents and author of the bill. Senator Hazelbaker inquired as to the meaning of foreign corporation and Representative Mather explained that this term simply meant any corporation outside of Montana on a non-profit basis.

Proponents of the bill were excused by Chairman DeWolfe and committee members discussed the measure and proposed amendments. Senator Hafferman moved to adopt the amendments which motion was seconded by Senator Shea, put to a vote of the committee, and carried unanimously. Senator Hazelbaker moved that Senate Bill 44 "Do Pass As Amended" which motion was seconded by Senator Goodheart put to a vote of the committee and received the favorable recommendation of the members.

There being no further business, Senator Hazelbaker moved that the committee adjourn. This motion was seconded and carried. Senator Goodheart introduced the Mayor of Malta to the committee members.


Senator Percy DeWolfe, Chairman

BUSINESS AND INDUSTRY COMMITTEE

February 1, 1971

The eleventh meeting of the Business and Industry Committee was held Monday morning at 10:30 in Room 433-4 of the State Capitol Building with Chairman Worden presiding.

All members were present with the exception of Rep. McGrath.

Senate Bill 44 was presented by Senator Thiessen, Chief sponsor. Representative Mathers appeared as a proponent. There were no opponents.

House Resolution 4 was presented by Rep. Fagg, principal sponsor.

House Bill 377 was presented by Rep. Lee, chief sponsor. William E. O'Leary representing Montana Public Service Commission appeared as a proponent. There were no opponents.

House Bill 325 was presented by Rep. Zimmer, chief sponsor. Proponents were William A. Penttila, State Fire Marshal; and J. H. Martinz, president of Superior Fire Apparatus. There were no opponents.

House Bill 485 was presented by Representative Bradley B. Parrish, chief sponsor. Lester H. Loble II appeared as a proponent. There were no opponents.

House Bill 473 was presented by Rep. Bardanoue, sponsor. Proponents were Don Burns representing Montana Association of Insurance Agents; and Burt C. Jeuseu representing Montana Association of Independent Insurance Agents.

House Bill 376 was presented by Rep. Nichols, chief sponsor. Proponents were Robert A. Durkee and Jerome T. Loendorf both representing Montana Tavern Association; and Elmer Schye representing Montana Innkeepers Association. Opponents were Ernest Post representing Montana State AFL-CIO; Joe Meyer representing Retail Clerks; and Archie Kelley representing Retail Clerks Local #684.

Action was then taken on the following bills:

HB376...placed in a subcommittee consisting of Representatives Patrick, Laas, and Eggebrecht.

SB44...Rep. Nelstead moved DO PASS. The motion was seconded and carried.

Corporation only selling in state may elect to pay 1/2 of 1% of gross sales.

1947) every corporation deriving income from sources both within and without the state of Montana and required to file a return and whose only activity in Montana consists of making sales and which does not own or rent real estate or tangible personal property within Montana and whose annual gross volume of sales made in Montana during the taxable year does not exceed one hundred thousand dollars (\$100,000), may elect to pay a tax of one-half of one percent of gross sales made in Montana during the taxable year. Such tax shall be in lieu of the tax otherwise imposed under this section. The gross volume of sales made in Montana during the taxable year shall be determined according to the provisions of article IV, sections 16 and 17, of the Multistate Tax Compact.

Gross volume determined under multistate tax compact.

Exemptions.

There shall not be taxed under this title any income received by any—

Labor—agriculture.

(a). Labor, agricultural or horticultural organization;

Fraternal organizations.

(b). Fraternal beneficiary, society, order or association operating under the lodge system or for the exclusive benefit of the members of fraternity itself operating under the lodge system, and providing for the payment of life, sick, accident or other benefits to the members of such society, order or association or their dependents;

Cemeteries.

(c). Cemetery company owned and operated exclusively for the benefit of its members;

Non-profit companies.

(d). Corporation or association organized and operated exclusively for religious, charitable, scientific or educational purposes, no part of the net income of which inures to the benefit of any private stockholder or individual;

Non-profit civic organizations.

(e). Business league, chamber of commerce, or board of trade, not organized for profit, and no part of the net income of which inures to the benefit of any private stockholder or individual;

Non-profit civic leagues.

(f). Civic league or organization not organized for profit, but operated exclusively for the promotion of social welfare;

Nonprofit clubs.

(g). Club organized and operated exclusively for pleasure, recreation and other nonprofitable purposes, no part of the net income of which inures to the benefit of any private stockholder or members;

(h). Farmers' or other mutual hail, cyclone or fire insurance company, mutual ditch or irrigation company, mutual or cooperative telephone company, or like organization of a purely local character, the income of which consists solely of assessments, dues and fees collected from members for the sole purpose of meeting its expenses;

Nonprofit mutual insurance companies, ditch, irrigation, telephone and like organizations.

(i). Any cooperative association or corporation engaged in the business of operating a rural electrification system or systems for the transmission or distribution of electrical energy on a cooperative basis;

Electric coops.

(j). Corporations or associations organized for the exclusive purpose of holding title to property, collecting income therefrom, and turning over the entire amount thereof, less expenses, to an organization which itself is exempt from the tax imposed by this title;

Nonprofit holding companies.

(k). In determining the license fee to be paid under this act, there shall not be included any earnings derived from any public utility managed or operated by any subdivision of the state, or from the exercise of any governmental function."

Government public utilities income exempt.

Section 2. This act shall be effective for taxable years beginning on and after January 1, 1971.

Effective beginning January 1, 1971.

Approved February 2, 1971.

CHAPTER NO. 17

An Act Relating to the Disposition, Sale, Lease, Mortgaging and Pledging of Electric and Telephone Cooperatives; and Amending Section 14-521, R.C.M., 1947, and providing an Effective Date.

Be it enacted by the Legislative Assembly of the State of Montana:

Section 1. That section 14-521, R.C.M., 1947, be, and the same is hereby amended to read as follows:

Amending clause.

"14-521. **Disposition of property.** A cooperative may not sell, mortgage, lease or otherwise dispose of or encumber all or any substantial portion of its property unless such sale, mortgage, lease or other disposition or encumbrance is authorized at a duly held meeting of

Two-thirds vote of members required to deal with cooperative property.

members thereof by the affirmative vote of not less than two-thirds ($\frac{2}{3}$) of all the members of the cooperative, and unless the notice of such proposed sale, mortgage, lease or other disposition or encumbrance shall have been contained in the notice of the meeting; provided, however, that notwithstanding anything herein contained, or any other provisions of law, the board of trustees of a cooperative, without authorization by the members thereof, shall have full power and authority to authorize the execution and delivery of a mortgage or mortgages or a deed or deeds of trust upon, or the pledging or encumbering of, any or all of the property, assets, rights, privileges, licenses, franchises and permits of the cooperative, whether acquired or to be acquired, and wherever situated, as well as the revenues and income therefrom, all upon such terms and conditions as the board of trustees shall determine, to secure any indebtedness of the cooperative to the United States of America or any instrumentality or agency thereof or to any other financing sources within the United States; provided, further, that the board may upon the authorization of a majority of those members of the cooperative voting at a meeting of the members thereof, sell, lease, or otherwise dispose of all or a substantial portion of its property to another cooperative or foreign corporation doing business in this state pursuant to the act under which the cooperative is incorporated."

Section 2. This act shall be effective immediately upon passage and approval.

Approved February 9, 1971.

CHAPTER NO. 18

An Act to Allow Highway Patrol to Check Driver's Licenses, Amending Section 95-618, R.C.M., 1947.

Be it enacted by the Legislative Assembly of the State of Montana:

Section 1. Section 95-618, R.C.M., 1947, is amended to read as follows:

"95-618. **Roadblocks.** (a) Definition. For the purpose of this act, a "temporary roadblock" means any structure, device, or means used by the duly elected or

appointed law-enforcement officers of this state, and their deputies, for the purpose of controlling all traffic through a point on the highway whereby all vehicles may be slowed or stopped.

(b) Authority to Establish Roadblocks. The duly elected or appointed law enforcement officers of this state, and their deputies, are hereby authorized to establish, in their respective jurisdictions, or in other jurisdictions within the state, temporary roadblocks on the highways of this state for the purpose of identifying drivers, checking for driver's licenses, and apprehending persons wanted for violation of the laws of this state, or of any other state, or of the United States, who are using the highways of this state.

(c) Minimum Requirements. For the purpose of warning and protecting the traveling public, the minimum requirements to be met by such officers establishing temporary roadblocks, if time and circumstances allow, are:

1. The temporary roadblock must be established at a point on the highway clearly visible at a distance of not less than one hundred (100) yards, in either direction.

2. At the point of the temporary roadblock, a sign shall be placed on the center line of the highway displaying the word "stop" in letters of sufficient size and luminosity to be readable at a distance of not less than fifty (50) yards, in both directions, either in daytime or darkness.

3. At the some point of the temporary roadblock, at least one (1) red light, which shall be a flashing or intermittent beam of light, must be placed at the side of the roadway clearly visible to the oncoming traffic, at a distance of not less than one hundred (100) yards.

4. At a distance of not less than two hundred (200) yards from the point of the temporary roadblock, warning signs must be placed at the side of the highway, containing any wording of sufficient size and luminosity, to warn the oncoming traffic that a "police stop" lies ahead. A burning beam light, flare, or a lantern must be placed near such signs for the purpose of attracting the attention of approaching drivers during hours of darkness. A red flag may be used for the same purpose during daylight hours.

Authority to establish.

Purposes.

Minimum requirements.

Minimum of 100 yards visibility.

"Stop" signs readable at 50 yards.

Flashing red light visible at 100 yards.

Warning signs 200 yards.

Lights.

Red flag.